

Article - Business Regulation

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§14–221.

The Commissioner summarily may pass a stop order to deny, suspend, or revoke a registration if the Commissioner finds that:

(1) there has been a violation of this subtitle or a regulation adopted under it;

(2) the offer to sell or sale of the franchise would constitute misrepresentation to, deceit of, or fraud on the buyer;

(3) a person identified in an application has been convicted of an offense or has had a civil judgment entered against the person as described in § 14-216(c)(8) of this subtitle or is subject to an order described in § 14-216(c)(9) of this subtitle, and the involvement of the person in the sale or management of the franchise creates an unreasonable risk to prospective franchisees;

(4) the prospectus or amendment to it is incomplete or inaccurate in any material respect;

(5) the prospectus or amendment to it includes a false or misleading statement of a material fact or omits to state a material fact required to be stated in the prospectus or amendment or necessary to make the statements in the prospectus or amendment not misleading;

(6) in connection with an offer to sell or sale of a franchise, a person in the State is engaging or is about to engage in a false, fraudulent, or deceptive practice or in a device, scheme, or artifice to defraud; or

(7) the financial condition of the franchisor affects or will affect the ability of the franchisor to meet an obligation under the franchise or other agreement and the franchisor is not able or willing to comply or has failed to comply with a regulation, order, or administrative determination of the Commissioner under § 14-217 of this subtitle.

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